

By: Harris

S.B. No. 1149

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the regulation of electronic transmissions of health
3 benefit information between a health care insurer and a physician
4 or health care provider.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Title 6, Subtitle C, Insurance Code, is amended
7 by adding a new Chapter 847, to read as follows:

8 CHAPTER 847. ELECTRONIC TRANSMISSION OF ELIGIBILITY AND PAYMENT
9 STATUS.

10 Section 847.001. Definitions. In this Chapter:

11 (1) "Enrollee" means an individual who is covered by a
12 policy of insurance for health care or enrolled in a health care
13 plan and includes covered dependents.

14 (2) "Health Care Insurer" means a health maintenance
15 organization operating under Chapter 843 of this code, a preferred
16 provider operating under Chapter 1301 of this Code, an approved
17 nonprofit health corporation that holds a certificate of authority
18 under Chapter 844 of this Code, and any other entity that issues a
19 health care plan including:

20 (A) an insurance company;

21 (B) a group hospital service corporation
22 operating under Chapter 842 of this Code;

23 (C) a fraternal benefit society operating under
24 Chapter 885 of this Code; or

1 (D) a stipulated premium company operating under
2 Chapter 884 of this Code.

3 (2) "Health Care Provider" means:

4 (A) a person, other than a physician, who is
5 licensed or otherwise authorized to provide a health care service
6 in this state, including:

7 (i) a pharmacist, dentist, or

8 (ii) a pharmacy, hospital, or other
9 institution or organization;

10 (B) a person who is wholly owned or controlled by
11 a provider or by a group of providers who are licensed or otherwise
12 authorized to provide the same health care service; or

13 (C) a person who is wholly owned or controlled by
14 one or more hospitals and physicians, including a
15 physician-hospital organization.

16 (3) "Participating provider" means a physician or
17 health care provider who contracts with an insurer to provide
18 medical care or health care to insureds covered by a health
19 insurance policy, certificate or contract.

20 (4) "Physician" means:

21 (A) an individual licensed to practice medicine
22 in this state under the authority of Title 3, Subtitle B,
23 Occupations Code;

24 (B) a professional association organized under
25 the Texas Professional Association Act (Article 1528f, Vernon's
26 Texas Civil Statutes);

27 (C) an approved nonprofit health corporation

1 certified under Chapter 162, Occupations Code;

2 (D) a medical school or medical and dental unit,
3 as defined or described by Section 61.003, 61.501, or 74.601,
4 Education Code, that employs or contracts with physicians to teach
5 or provide medical services or employs physicians and contracts
6 with physicians in a practice plan; or

7 (E) another person wholly owned by physicians.

8 Section 847.002. Real Time Transmission of Enrollee
9 Eligibility and Payment Status. Each health care insurer must make
10 available, telephonically or electronically, to each participating
11 provider information sufficient for the provider to determine at
12 the time of an enrollee's visit:

13 (a) Information concerning the enrollee including:

14 (A) subscriber identification number;

15 (B) name of enrollee and all covered dependents;

16 (C) birth date of enrollee and birthdates of all
17 covered dependents;

18 (D) gender of enrollee and gender of each covered
19 dependent;

20 (E) marital status of enrollee and of each
21 covered dependent;

22 (F) current enrollment and eligibility status
23 with the insurer.

24 (b) Information concerning enrollee benefits including:

25 (A) covered benefits;

26 (B) excluded benefits, both group and
27 individual;

1 (C) hospitals and participating providers; and

2 (D) a listing of physicians with hospital
3 privileges by hospital.

4 (c) Information concerning enrollee financial information
5 including

6 (A) co-payment requirements and current status
7 applicable to the enrollee's coverage policy; and

8 (B) the amount of the enrollee's deductible or
9 co-insurance balance owing at the time of the visit.

10 847.003. CERTAIN CHARGES PROHIBITED. A health care insurer
11 may not directly or indirectly charge or hold a physician, health
12 care provider or enrollee responsible for a fee for making
13 available or accessing information under this chapter.

14 847.004. RULES. The commissioner shall adopt rules to
15 implement the provisions of this section by January 31, 2006.
16 Before adopting the rules, the commissioner shall create and
17 receive advice from an advisory committee comprised as follows:

18 (1) one person representing managers of group
19 practices for physicians;

20 (2) two persons representing physicians;

21 (3) two persons representing hospitals;

22 (4) one person representing pharmacists;

23 (5) one person representing dentists; and

24 (6) two persons representing health care insurers.

25 Members of the advisory committee serve without compensation and
26 such committee is not subject to Chapter 551, Government Code.

27 SECTION 2. The provisions of this act shall apply shall to

1 any contract between a health care insurer and a physician or health
2 care provider that is signed or any contract that renews on or after
3 January 31, 2006. "Any contract that renews" includes, but is not
4 limited to, a contract that renews from one term to the next in the
5 absence of contrary notice by one of the parties.

6 SECTION 3. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2005.